



***Suite 1550 – 355 Burrard Street
Vancouver, B.C., Canada, V6C 2G8
Tel: (604) 331-1757 Fax: (604) 669-5193***

**TSXV - DRK
OTC BB - DRKOF
Form 20-F File No.: 0-30072**

December 1, 2003

(Vancouver, B.C., December 1, 2003) – *Derek Oil & Gas Corporation* (the “Company”). The Company has granted incentive stock options under its stock option plan to directors, officers employees and consultants to purchase up to 480,000 common shares for a period of five years commencing on December 1, 2003 at an exercise price of \$0.80 Cdn. per share and expiring November 30, 2008. These incentive stock options are subject to a four month hold period expiring March 31, 2004.

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DEREK OIL & GAS CORPORATION

“Barry C.J. Ehrl”
Barry C.J. Ehrl, Director

For further information please contact Investor Relations 1-888-756-0066 or (604) 331-1757

www.derekresources.com

Corporate e-mail: info@derekresources.com

*The TSX Venture Exchange has neither approved nor disapproved
the information contained herein*

Cautionary Note to U.S. Investors: Investors are urged to consider closely the disclosure in our Form 20-F, File No. 0-30072, available from us at Suite 1550, 355 Burrard Street, Vancouver, British Columbia, Canada, V6C 2G8. You can also obtain this Form 20-F from the SEC by calling 1-800-732-0330 or you may find it online at www.sec.gov or at www.sedar.com where it is filed as the Company’s Annual Information Form.